

MINUTES
REGULAR MEETING
BOARD OF TRUSTEES
THE SOCORRO ELECTRIC COOPERATIVE, INC.

October 24, 2018

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Wednesday, October 24, 2018 at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Anne L. Dorough, President.

ROLL CALL

Secretary Baca called roll and reported those present and attending as follows:

TRUSTEES PRESENT: Anne L. Dorough, President
 Representative, District V

 Luis Aguilar, Vice-President
 Representative, District III

 Mary Lucy Baca, Secretary/Treasurer
 Representative, District I

 Dave Wade, Trustee
 Representative, District IV

 Leroy Anaya, Trustee
 Representative, District III

 Donald Wolberg, Trustee
 Representative, District III

TRUSTEES ABSENT: None

ALSO PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 David Montoya, Safety Compliance Officer
 Ricky Williams, Line Superintendent
 Marilyn Madrid, Member Services Supervisor

SEC MEMBERS PRESENT: John Larson, Ward McCartney, Sefie Anaya, Frank Jaramillo,
 Tara Jaramillo, David L Wade, Prescilla Mauldin, Jimmy Dorough

QUORUM

Secretary Baca declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

President Dorough led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

Trustee Aguilar moved to approve the Agenda as presented; motion seconded by Trustee Wolberg. Motion carried unanimously.

President Dorough approved the Agenda as distributed.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

October 24, 2018

September 26, 2018

Trustee Anaya made a correction to the minutes from September 26, 2018.

Trustee Wolberg moved to accept the minutes from September 26, 2018 with correction; motion seconded by Trustee Baca. Motion carried unanimously.

President Dorough approved the September 26, 2018 minutes as corrected.

September 28, 2018

Trustee Baca moved to accept the minutes from September 28, 2018 as presented; motion seconded by Trustee Anaya. Motion carried unanimously.

PUBLIC COMMENTS

Tara Jaramillo, District 2 member, expressed interest in the District 2 vacancy and provided some information about herself.

Ward McCartney, District 1 member, provided information to the Trustees regarding climate change, showing them a graph of this change and encouraged them to consider more renewable generation sources.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$942,384.88 for the month of September 2018 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the Expenditure Report for September 2018.

Manager Herrera reported that the American Express and MasterCard credit card statements with supporting receipts were made available to the Board of Trustees for September 2018.

President Dorough thanked Manager Herrera for the Credit Card Expenditures for September 2018.

Manager Herrera carefully reviewed the RUS Form 7 Report for September 2018 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the RUS Form 7 Report for September 2018.

Manager Herrera reported for the Engineering Report the environmental study that is needed for the Magdalena 69KV Transmission Line re-build is taking a little longer than expected due to some issues at Tierra ROW. Manager Herrera reported that the paleontology report has been submitted and is under review; the biological assessment report was submitted October 19, 2018; all cultural field work is completed and anticipated to be submitted to Bureau of Land Management (BLM) in November 2018. Manager Herrera stated the preliminary draft Environmental Assessment (EA) is pending these studies with submittal to BLM before the end of 2018. Manager Herrera stated once this has been submitted SEC can work on getting this submitted to RUS for approval as a part of our Construction Work Plan.

President Dorough thanked Manager Herrera for the Engineering Report for September 2018.

Manager Herrera concluded reporting that SEC currently has all the cooperative's emails located on an Exchange Server that was purchased in 2012. Manager Herrera reported that due to SEC being a non-profit entity, SEC was able to acquire the new Office 365 Outlook software for no cost. Manager Herrera stated this will save SEC over \$16,000 in software and labor costs and prevent SEC from having to buy a new server. Manager Herrera stated this migration will be happening in a few weeks and will require that the Trustees leave their iPads with staff. Manager Herrera also reported that SEC has received patronage allocations from Western United Electric, CFC and CoBank, and these have been made available to the Trustees.

President Dorough thanked Manager Herrera for the Managers Report for September 2018.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

October 24, 2018

Mr. Montoya reviewed the September Safety Report and provided information on the Commitment to Zero Contact initiative by NRECA and proceeded to answer questions posed by the trustees.

JOB BRIEFING

Mr. Montoya reviewed the September Job Briefing Reports and proceeded to answer questions posed by the Trustees.

President Dorough thanked Mr. Montoya for the Safety Compliance Report for September 2018.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Williams reported that no work orders were closed for September. However, 23 work orders and 54 service orders including tree trimming, security light repairs and miscellaneous items were completed in the field. Mr. Williams reported the crews are working on the AMI project and installing equipment in the Socorro Local, Quemado and Socorro Tri-State substations in preparation for the future meter changeouts. Mr. Williams explained that a new procedure is being developed for line patrol and infrared testing within the substations. Mr. Williams also reported that we will begin a conversion project in December for 26 spans of line that are going from single phase power to three phase power for the Middle Rio Grande Conservancy District. Mr. Williams proceed to answer questions posed by the Trustees.

OUTAGE REPORTS

Mr. Williams went over the Cooperative Response Center report for September 2018 stating that 45 outage reports had been turned in by crews.

President Dorough thanked Mr. Williams for the Operations and Maintenance Report for September 2018.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid reported on the Energy Delinquent Report for September 2018 and proceeded to answer questions posed by the Trustees.

NM PRC MEMBER CONCERNS

Ms. Madrid reported that SEC had no member complaints filed with the NM PRC in September 2018 and proceeded to answer questions posed by the Trustees.

President Dorough thanked Ms. Madrid for the Member Services Report for September 2018.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Manager Herrera reported that he would be giving the Communications and Public Affairs Report this month as Mr. Capps is out of the office. Manager Herrera reviewed the September Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

President Dorough thanked Manager Herrera for the Communications and Public Affairs Report for September 2018.

TRI-STATE REPORT

Trustee Anaya stated that he had a donation from Tri-State that was awarded to the Socorro County Historical Society on behalf of Socorro Electric.

Ms. Mauldin, Treasurer for the Socorro County Historical Society, thanked the Board and Tri-State for this award and stated it would help in the restoration of the windows in the Hammel museum.

Trustee Anaya gave the Tri-State Board of Directors activities report for September 2018.

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President Dorough thanked Trustee Anaya for the Tri-State Report.

NMRECA REPORT

Manager Herrera reported on the NMRECA activities report for September 2018 and proceeded to answers questions posed by the Trustees.

President Dorough thanked Manager Herrera for the NMRECA Report.

PRESIDENT'S REPORT

President Dorough reported that the 2018 Trustee Expense reports for the Third Quarter had been provided for all trustees to review.

President Dorough also stated that due to a vacancy within the Finance Committee, she has appointed Trustee Wolberg to this Committee.

President Dorough congratulated Trustee Baca as she presented her with her NRECA Gold Board Leadership Certificate.

TRUSTEE REPORTS

Trustee Wolberg provided information about an Environmental Protection Agency (EPA) Meeting that he attended regarding the Eagle Pitcher site which may affect Socorro Electric.

President Dorough thanked Trustee Wolberg for the Trustee Report.

ETHICS COMMITTEE REPORT

Manager Herrera reported on the Ethics Committee meeting held on September 26, 2018 with recommended action on District II to the full Board of Trustee.

President Dorough made a correction to the Ethics Committee from January 18, 2017.

FINANCE COMMITTEE REPORT

Committee Chair Trustee Baca reported on the Finance Committee meeting held on September 26, 2018 with recommendations to the full Board of Trustees.

President Dorough thanked Committee Chair Trustee Baca for the Finance Committee Report.

STANDING COMMITTEE REPORT

Committee Chair Trustee Anaya reported on the Standing Committee meeting held on October 17, 2018 with recommendations to the full Board of Trustees.

President Dorough thanked Committee Chair Trustee Anaya for the Standing Committee Report.

NEW BUSINESS

Election of Representative of MRGEDA

President Dorough asked if there were any volunteers for the MRGEDA Representative.

Trustee Wolberg volunteered to be MRGEDA Representative.

President Dorough appointed Trustee Wolberg as MRGEDA Representative by unanimous consent.

Consideration & Approval of 1992 General Retirement

Manager Herrera reported that it was the recommendation from the Finance Committee to retire the 1992 Patronage Capital Credit in the amount of \$358,141.13

Trustee Wolberg made a motion to accept the Finance Committee's recommendation to retire the 1992 Patronage Capital Credit in the amount of \$358,141.13; motion seconded by Trustee Anaya. Motion carried unanimously.

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Quote Digger Boom Truck

Manager Herrera reported that two quotes had been received and it was the recommendation from the Finance Committee to accept the quote from Altec in the amount of \$230,049.00 for a Digger Boom Truck.

Trustee Anaya made a motion to accept the Finance Committee's recommendation to accept the Altec quote in the amount of \$230,049.00 for a Digger Boom Truck; motion seconded by Trustee Wolberg. Motion carried unanimously.

Zero Electrical Contact Resolution

President Dorough stated that Mr. Montoya had provided information earlier regarding the Zero Electrical Contact initiative.

Trustee Wolberg made a motion to accept the Commitment to Zero Contact Resolution; motion seconded by Trustee Anaya. Motion carried unanimously. (Copy of Resolution attached hereto and made a part hereof)

Consideration of Capital Credit Estate Retirements

Manager Herrera reported that SEC General Counsel Bruce E. Wiggins Esq., had previously reviewed the Patronage Estate Capital Retirement as provided in the Trustee's Boardpaq. Mr. Wiggins reviewed the retirement documents and stated that they appeared to be in order and were ready for the Board's consideration:

ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Betty Jo Davis	\$453.82	\$15.74	\$22.80	\$9.16	\$108.11	\$0.00	\$0.00	\$609.63	\$501.52
Joe Davis	\$182.63	\$5.07	\$15.35	\$8.92	\$73.94	\$0.00	\$0.00	\$285.91	\$211.97
Arthur Burris Ismael	\$146.69	\$13.66	\$5.78	\$1.19	\$0.00	\$41.97	\$0.00	\$209.29	\$209.29
Romero	\$752.77	\$33.81	\$40.28	\$16.71	\$140.69	\$0.00	\$0.00	\$984.26	\$843.57
Antonio J Ulibarri	\$231.28	\$21.17	\$12.41	\$2.29	\$0.00	\$60.34	\$0.00	\$327.49	\$327.49
G. Lyn Roberts	\$562.68	\$25.14	\$25.70	\$2.16	\$131.90	\$46.02	\$0.00	\$793.60	\$661.70

JOINT ACCOUNT ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Eric D Bottomly	\$255.91	\$6.03	\$14.20	\$7.20	\$84.33	\$0.00	\$0.00	\$367.67	\$283.34
Manuel S Gonzales	\$240.33	\$7.63	\$14.30	\$5.54	\$73.96	\$0.00	\$0.00	\$341.76	\$267.80
Freeman A Sly	\$430.03	\$0.87	\$29.55	\$19.10	\$192.42	\$0.00	\$0.00	\$671.97	\$479.55
Alexander V Prusin	\$78.14	\$0.10	\$6.05	\$3.66	\$40.16	\$0.00	\$0.00	\$128.11	\$87.95
Everett Callan Jr	\$330.81	\$12.96	\$18.44	\$7.99	\$73.51	\$0.00	\$0.00	\$443.71	\$370.20

Trustee Anaya made a motion to approve the Retirement of Patronage Capital as presented, absent any Tri-State allocations, to the above-mentioned estate accounts; motion seconded by Trustee Baca. Motion carried unanimously.

Consideration of Line Extension Contracts

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There were no Line Extension Contracts open for consideration.

Consideration of Trustee Travel

Trustee Aguilar, Anaya, Baca and Wolberg requested Board approval to attend the NMRECA Director School in Albuquerque, New Mexico on December 14, 2018.

Trustee Aguilar made a motion to approve travel for Trustee Aguilar, Anaya, Baca and Wolberg to attend the NMRECA Director School being held in Albuquerque, New Mexico; motion seconded by Trustee Wolberg. Motion carried unanimously.

District II Trustee Vacancy

President Dorough reviewed the information in the By-Laws as to the options available to the Board in addressing the District II Trustee seat vacancy.

Trustee Aguilar made a motion to fill the District II seat by Board appointment at the November Board meeting; motion seconded by Trustee Anaya. Motion carried unanimously.

After further discussion, Trustee Aguilar made a motion to amend the previous adopted motion; motion seconded by Trustee Wolberg. Motion carried with one dissenting vote.

Trustee Aguilar made a motion to amend the previously adopted motion to extend the time period to the December 2018 Board meeting; motion seconded by Trustee Baca. Motion carried with one dissenting vote.

EXECUTIVE SESSION

There were no items to discuss in Executive Session.

SET DATE/TIME FOR REGULAR MEETING

After discussion, Trustee Anaya made a motion to set the date and time of the next Standing Committee meeting for November 28, 2018 at 1:00 p.m.; motion seconded by Trustee Wolberg. Motion carried unanimously.


After discussion, Trustee Aguilar made a motion to set the date and time of the next regularly scheduled Board Meeting for November 28, 2018 at 2:00 p.m.; motion seconded by Trustee Anaya. Motion carried unanimously.

ADJOURNMENT

There being no further items open for discussion, Trustee Aguilar moved to adjourn; motion seconded by Trustee Wolberg. Motion carried unanimously.

President Dorough adjourned the meeting at 3:45 p.m.

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Mary Lucy Baca, Secretary/Treasurer

APPROVED:



Anne L. Dorough, President

I, Mary Lucy Baca, do hereby certify that I am the Secretary of the Board of Trustees of The Socorro Electric Cooperative, Inc., herein called the "Cooperative" and the above is a true and exact copy of the Minutes of the Regular Meeting held on October 24, 2018. A Quorum of Trustees was present and acted upon throughout the meeting and none of the Minutes of the above have been rescinded or modified.



Mary Lucy Baca, Secretary/Treasurer

BOARD RESOLUTION

SOCORRO ELECTRIC COOPERATIVE, INC. OF NEW MEXICO

COMMITMENT TO ZERO CONTACTS INITIATIVE



WHEREAS, Socorro Electric Cooperative, Inc. of New Mexico (SEC) places a high value on the health and welfare of its employees and members, and

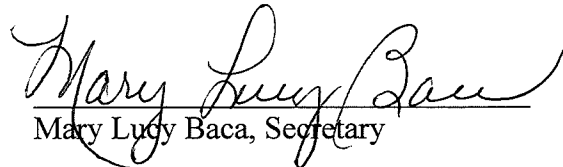
WHEREAS, the Board believes that taking proactive steps may help prevent injury due to future electrical contacts,

NOW THEREFORE BE IT RESOLVED, that Socorro Electric Cooperative Inc. hereby joins the Commitment to Zero Contacts nationwide initiative.

CERTIFICATE OF SECRETARY

I, Mary Lucy Baca, do hereby certify that I am Secretary of Socorro Electric Cooperative, Inc. of New Mexico (SEC) and certify that the Board action stated above is a true and exact copy of the action passed and adopted by the Board of Trustees of SEC at a regular meeting of the Board held October 24, 2018 and that said action has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto set by hand and affixed the seal of the Cooperative this 24th day of October, 2018.


Mary Lucy Baca, Secretary

(S E A L)

